WEEKLY ECONOMIC REVIEW

March 28, 2008

As of January 1, 2008, Alberta's population stood at nearly 3.5 million, representing an annual growth of 2.0%. In the fourth quarter of 2007, Alberta's net interprovincial migration outflow narrowed to 880 persons following a net loss of 3,316 persons in the third quarter. Despite the net outflow in the second half of 2007, Alberta's annual population growth remained the strongest in the country on the back of strong international migration, healthy natural increase, and the continuing influx of non-permanent residents, which more than doubled over the past year.

Following growth of 9.0% in 2007, Alberta retail sales grew 5.4% year-over-year in January compared to 7.5% for Canada. Compared to December, retail sales were up 0.1%. On a national basis, retail sales rose 1.5% from December, its third consecutive month of strong gains.

U.S. housing data in February were decidedly mixed. Sales of new U.S. homes fell 1.8% from January to an annual rate of 590,000, the lowest since 1995, but better than consensus expectations. Sales of existing homes, on the other hand, grew 2.9% to an annual rate of 5.03 million units, breaking a six-month streak of falling sales.

U.S. durable goods orders fell 1.7% in February, led by the steepest drop in demand for machinery (-13.3%) since 1992. This indicates that companies are becoming increasingly reluctant to invest.

↑	**Cdn Dollar (US¢/CS)**	
	March 28, 2008	98.2
	March 20, 2008	97.4
	2007-08 YTD	97.1
↑	**WTI Oil US$/bbl**	
	March 27, 2008	$ 107.58
	March 19, 2008	$ 104.48
	2007-08 YTD	$ 81.86
↑	**Nymex Natural Gas CS/MMBtu ***	
	April Contract	
	March 28, 2008	$ 9.87
	March 20, 2008	$ 8.78

*Estimate based on Nymex Futures Market Price

U.S. consumers' confidence weakened to its lowest in 16 years, dropping from 70.8 in February to 69.5 in March. U.S. consumer spending grew by only 0.1% from January, but personal income increased by 0.5% on the back of higher government transfer payments (notably unemployment insurance). This week's string of dismal business and consumer data have intensified fears that the U.S. economy is already in a recession.

Oil prices rose sharply on Thursday on news of a major pipeline explosion in Iraq. Crude rose US$1.68 to US$107.58 per barrel, before retreating to US$105 on Friday noon's trading following a return to full production.

Economic Indicators Released this Week	Reference Period	Period/Previous Period	Period/Same Period Last Year (Y/Y)
Population (as of January 1, 2008)	**4th Quarter**	**Quarter/Previous Quarter (Q/Q)**	**Quarter/Previous Year's Quarter**
Alberta	3,497,881	0.3%	2.0%
Canada	33,143,610	0.2%	1.1%
Retail Trade ($ Millions) [1]	**January**	**Month/Previous Month (M/M)**	**Month/Previous Year's Month**
Alberta	5,180	0.1%	5.4%
Canada	35,752	1.5%	7.5%

Source: Statistics Canada, [1] Seasonally adjusted